
Commerce & Labor Committee

HB 2668

Brief Description: Modifying provisions regulating certain professional athletic events.

Sponsors: Representatives Hudgins, Lovick, Crouse, Upthegrove, B. Sullivan and Sump.

Brief Summary of Bill

- Changes the word "tax" to "administrative fee" to refer to the percentage of gross receipts that a promoter must pay to the Department of Licensing.
- Adds a definition of bout so that an event physician has authority to stop any bout, instead of an entire event, when in the event physician's opinion it would be dangerous to a contestant to continue.
- Provides that boxing, kickboxing, and martial arts promoters must obtain medical insurance and provide proof of insurance to the Department of Licensing seventy-two hours before each event.
- Creates immunity from civil or criminal suit for all appointed event officials.

Hearing Date: 1/26/06

Staff: Sarah Dylag (786-7109).

Background:

The Department of Licensing (Department) regulates boxing, martial arts, and wrestling events. Participants and officials of these events must obtain a license in order to engage in these sports. The Department issues licenses to promoters, managers, boxers, wrestling participants, inspectors, judges, timekeepers, announcers, event physicians, chiropractors, referees, matchmakers, kickboxers, and martial arts participants. Licenses are valid for one year from date of issue. Varsity boxing, wrestling or sparring, or amateur events promoted on a not-for-profit or charitable basis, are not regulated.

Bond and Medical Insurance

As a condition of receiving a license, a boxing promoter is required to obtain medical insurance in an amount set by the Department, but not less than fifty thousand dollars, to cover any injuries incurred by participants. A boxing promoter must also file a bond in an amount determined by the

Department, but not less than ten thousand dollars. Seventy-two hours before each event, a boxing promoter must provide proof of insurance to the Department.

Taxes

At the end of any event, a promoter must file a report with the Department, showing the number of tickets sold, the price charged for each ticket and the gross proceeds of ticket sales. At the time of filing, a promoter is required to pay the Department a tax equal to five percent of gross receipts of ticket sales. The number of complimentary tickets must be limited to ten percent of the total tickets sold per event location not to exceed one thousand tickets. Complimentary tickets exceeding ten percent of the tickets sold are taxed.

A promoter who charges and receives an admission fee for exhibiting a simultaneous telecast of a live, current, or spontaneous boxing or sparring match or wrestling exhibition must also furnish the Department with a report of the number of tickets issued or sold and the gross receipts from the sale of tickets. A promoter must also pay the Department a tax equal to five percent of the gross receipts for admission to an event.

Physician

The Department may require that an event physician be present at a wrestling event. The promoter shall pay the event physician present at a wrestling event. A boxing, kickboxing, or martial arts event may not be held unless an event physician licensed by the Department is present throughout the event.

The event physician has the authority and the duty to stop any event when, in the event physician's opinion, it would be dangerous to a contestant to continue.

Immunity

The Director of the Department or individuals acting on the Director's behalf are immune from suit in an action, civil or criminal, based on official acts performed in the course of their duties in administration and enforcement.

Summary of Bill:

The word "tax" is changed to "administrative fee" to refer to the percentage of gross receipts that a promoter must pay to the Department and the Department must pay to the General Fund.

Bout is defined as a contest or match between participants appearing at an event. An event physician has the authority and duty to stop any bout, instead of an entire event, when, in the event physician's opinion, it would be dangerous to a contestant to continue.

All appointed event officials are immune from suit in an action, civil or criminal, based on official acts performed in the course of their duties in administration and enforcement. Although not defined in statute, the Department's current rules specify that an event official is a judge, referee, timekeeper, event physician, and/or inspector, appointed by the Department to provide services at a boxing event.

Kickboxing and martial arts promoters must obtain medical insurance and provide proof of that insurance to the Department seventy-two hours before each event.

Rulemaking Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.